CHAPTER-III
EVOLUTION OF LEGAL PROTECTION OF GEOGRAPHICAL INDICATIONS

3.1 Introduction

Just as a patented product carries with it the reputation of its inventor the geographically indicated product carries with it the reputation of a region, locality, place of origin, country etc. Therefore the reasons for protection of geographical indication can be looked at essentially from two view points. Firstly, to protect the interest of the consumer, who especially in products protected by geographical indicators, buys the product only because of its famous origin which indicates certain quality, and secondly, to provide economic incentive and protection to the producers of the products belonging to that particular region.

Geographical indications protection is a matter of having exclusive right in trade to the use of a name. The ways in which this right can be exercised are defined by the available legal framework. It is thus useful to understand the different options that exist for protecting producers’ exclusive right to use a geographical name in trade.

3.2 Civil and Common Systems of Protection for Geographical Indications

Legally speaking, the world is generally divided into two systems of jurisprudence, namely the common law system and the civil law system. Under the common law system, both statute law and case law form a relevant basis for enforcement of rights. In other words, prior rights by way of reputation and goodwill per se would be
considered a good enough basis for protection.\(^1\) If reputation and good-will can be established, a statutory protection is not mandatory to establish the rights in the geographical indication in that territory. Countries that follow the common law system of jurisprudence include U.K., U.S.A., Canada, Australia, New Zealand etc.

The common law system offers a remedy by way of a passing off action against an aggrieved party.\(^2\) Simply put, the passing off action is based on the premise that a defendant cannot pass off his goods or services as and for that of the plaintiff. While this common law remedy owes its origin to proprietary rights in goodwill and reputation attaching to private entities, its frontiers have since been extended in what is now known as ‘the extended form of passing off’ to enable a group of producers to apply its principles in the enforcement of their collective rights in the geographical indications applied to their products.

Under a civil law system of jurisprudence, case law does not have any determinative role in judicial or administrative proceedings and codified law is the only source for enforcement of rights and remedies. In effect, protection in civil law jurisprudence is invariably dependent on registration rather than use.

Countries that follow civil law jurisprudence are France, most of the others European Countries, Russia etc. The civil law system of jurisprudence offers a plaintiff a remedy of an injunction based on a statutory or formal protection in the country of origin.

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\(^1\) To illustrate, in India, which is common law jurisdiction, the Scotch Whisky Association (SWA) of Scotland has been successfully suing many defendants for unauthorised use of the expression ‘Scotch’ and for use of imageries that evoke Scotland. ‘Scotch whisky’, a well known geographical indication, is not statutorily protected in India. All the instances of success the SWA has had in India so far are solely based on the reputation and goodwill enjoyed by ‘Scotch whisky’ as a well-known geographical indication in India.

\(^2\) ‘Scotch whisky’ is an oft – protected geographical indication through passing off actions in India, which is a common law county. There are several court/tribunal decisions on various uses or attempted registrations by defendants which have been held as amounting to passing off.
as well as in the country of disputed use. In some civil law countries like France there is even a provision for damages for injury caused to good-will and reputation in such an action.³

The inherent differences between a common law system of jurisprudence and a civil law system of jurisprudence give rise to many tricky situations in the protection of geographical indications. To elaborate, in a given civil law country, it may be a requirement that protection be afforded to a foreign geographical indication only if there is a home registration coupled with a prior registration in that country. However, in common law countries, geographical indications are protected purely based on the reputation enjoyed by the respective geographical indication. Hence, although France being a civil law country insists on home registration along with a registration in France to protect a foreign geographical indication, one of France’s most prized geographical indications, champagne, would be protected in a jurisdiction such as India even in the absence of any home registration or registration in India, if champagne producers are able to establish their good-will and reputation in India. Such protection would be based on the reputation and goodwill enjoyed by the geographical indication, in this case, champagne, among members of the relevant public in India. However, in a situation where an unregistered geographical indication of India is being violated in France, it would be very difficult for India to assert its rights due to the rigors of civil law framework existing in France which would not great protection to such geographical indication merely based on the reputation and goodwill enjoyed by it in France and India.⁴

³ Latha R.Nair, Rajendra Kumar, Geographical Indications-A Search for Identity, 1st edn, New Delhi: Butterworths, 2005, p.29.
⁴ Ibid.
3.3 Existing Approaches for the Protection of Geographical Indications (GIs)

Protection of geographical indications on the national and regional level is characterised by the existence of a variety of different legal concepts. Those concepts were developed in accordance with different national legal traditions and within a framework of specific historical and economic conditions. These differences have a direct bearing on important questions such as condition of protection, entitlement to use and scope of protection. The main existing concepts of protection are, unfair competition and passing off, protected appellations of origin and registered geographical indications, collective and certification trademarks, and administrative schemes of protection. Given the large variety in national laws and regulations concerned with the protection of geographical indications, a division into four different categories is necessarily artificial and may not precisely reflect the situation in every member state. It is therefore possible that a mechanism of protection exists in a member state that does not necessarily fall into any of those four categories as defined.5

3.3.1 Unfair Competition and Passing off

Some countries provide geographical indication protection under laws that are targeted at preventing unlawful commercial acts from business competitors such as unfair competition and passing off. Both unfair competition and passing off are common law torts.6

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5 International Symposium on Geographical Indications, WIPO & SAIC, Beijing, 2007.
3.3.1 (1) Unfair competition

It can be observed that countries have established some kind of safeguard against unfair business practices. This is reflected on the international level through the inclusion of Article 10 bis into the Paris Convention at the 1900 Brussels Revision Conference, establishing a basic international rule concerning protection against unfair competition. It requires all states party to the Paris Convention to provide effective protection against unfair competition, which is defined as “any act of competition contrary to honest practices in industrial or commercial matters”.

The use of a certain geographical indication for goods or services not originating from the respective area may be misleading and thus may result in a deception of consumers. Furthermore, such use may constitute a misappropriation of the goodwill of the person who is truly entitled to use the geographical indication. An action for unfair competition which depending on the national law, is either based on statutory provisions, as interpreted by court decisions, or on common law can be instituted in order to prevent competitors from resorting, in the course of trade, to such misleading practices.

Although the conditions for a successful action for unfair competition vary from country to country, the following basic principles appear to be generally recognised. In order to be protectable, a given geographical indication must have acquired a certain reputation or goodwill. In other words, the potential buyers of the product must associate the geographical indication with the place of origin of the goods or services. Such an action further requires that the use of the geographical indication on goods or services not originating from the respective geographical area is misleading, so that consumers are deceived as to the true place of origin of the products or services. Under some national
laws, proof of damages or the likelihood of damages caused by such misleading practices is required.  

Whereas the principle that misleading use of a geographical indication may give rise to an action for unfair competition is generally recognised, the outcome of such an action may be uncertain in particular, the extent to which the geographical indication in question must have acquired a reputation may vary from country to county. It may be required that the geographical indication must have been used in the course of a certain time and that an association between the geographical indication and the place of origin of the products and services must have been created amongst the relevant circles. Therefore, a geographical indication the reputation of which is not yet established on the market, may not be protectable against misleading use by competitors through an action for unfair competition. Moreover, the availability of protection against acts of unfair competition does not prevent geographical indications from becoming generic terms. Geographical indications which become generic terms in a particular country lose their distinctive character and are no longer protectable in that country.  

Furthermore, protection of geographical indications under unfair competition law may be supplemented by specific statutory provisions having as their object the protection of unregistered geographical indications for example, prior to 1994, German Law protected geographical indications solely through unfair competition law under Article 3 of the German unfair competition Act, “any person who, in the course of business activity and for purposes of competition, makes deceptive statements, in  

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8 Ibid.
9 Like France, Germany is also a member of the European Union (EU), which supports extension.
particular concerning the origin of individual goods or commercial services” may be
enjoined from making such statements”. 11 To prevent use of geographical indications
under Article 3 of the Act, the plaintiff must prove two elements. First, the plaintiff must
establish that the statement on the product is geographically mis-descriptive and second,
that the statement is descriptive or misleading. A statement is misleading if consumers
actually believe that a product originates in the stated geographic local and thereby base
their decision to purchase the product on that misguided belief. 12

Sections 126 to 129 of the German Trademarks Act of 1994, 13 under these
provisions, natural and legal persons having the right to use a given unregistered
geographical indication are entitled to request courts to prevent use of that geographical
indication by unauthorised parties and as the case may be to accord damages for such use.
Sections 126 to 129 of German Trademark Act of 1994 are based on principles developed
by the courts in applying the law against unfair competition in order to prevent
unauthorised use of geographical indications, if such use would be misleading or would
take unfair advantage of the reputation of a geographical indication.

3.3.1 (2) Passing off

Countries having a civil law tradition that provide for some kind of protection for
businesses against unlawful commercial acts from competitors usually base that
protection on general tort law. In countries that follow the common law tradition, the

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12 In determining whether a statement is misleading, courts sometimes conduct surveys. Ordinarily, a quota
of ten fifteen percent of mislead consumers is sufficient to bring an action under Article 3 of the unfair
Competition Act.
13 Hopperger, supra n.6, at 5.
action of passing off\textsuperscript{14} is often considered as the basis of protection against dishonest business competitor. The passing off action can be described as a legal remedy for cases in which the goods or services of one person are represented as being those of somebody else, what is common to these cases is that the plaintiff loses customers because the defendant led them to believe that they were buying the plaintiffs goods, when they actually obtained the goods of the defendant.\textsuperscript{15}

The main point about passing off is that good will has been established by one trader and another trader tries to take advantage of that good will, to cash in on it to the detriment of the first trader. There are two main reasons why trader would wish to pass of his goods or services as being those of another, established trader. The first is that by doing so, a significant portion of the established traders custom might be capture because of confusion amongst the buying public as to whom they dealing with. The second reason is that sales might be boosted by unjustifiably imputing a quality to the second traders’ goods that is widely recognised in connection with the goods of that established trader. In both cases, the established trader suffers damage by a shortfall in trade, but in the second case the damage may be even more far reaching in that he stands to lose his goodwill and reputation for high quality goods if, because of the misrepresenting the buying public associate inferior goods with him. Alternatively, the harm may be subtler and result in a gradual degradation or erosion of the first traders name or get up as an indicator of origin or quality.\textsuperscript{16}

\textsuperscript{14} A term used in common law countries. It is a legal wrong that occurs when one trader presents his goods in a manner that injuries the business of another trader. If proved, this legal wrong is reversed by order of court. It has no statutory basis; it was created by courts in litigation.
\textsuperscript{15} \textit{International Symposium on Geographical Indications}, Beijing, June 26 to 28, 2007, (Document prepared by Mr. Marcus Hopperger, Acting Director, WIPO).
The House of Lords in *Erven Warnic B.V. v. Townend and Sons*,\(^{17}\) had an occasion to explain the essentials of the cause of action for passing off. Lord Diplock rules that the plaintiff must prove each of the following of five essentials in an action for passing-off.

(i) a misrepresentation;

(ii) made by a trader in the course of trade;

(iii) to prospective customers of his or ultimate consumers of goods or services supplied by him;

(iv) which is calculated to injure the business or goodwill of another trader, in the sense that this is a reasonably foreseeable consequence and;

(v) which causes actual damage to a business or goodwill of the trader by whom the action is brought.

In *Reckitt and Colman products Ltd v. Border Inc.* (the Jif Lemon case),\(^ {18}\) Lord Oliver reduced the aforesaid five essential elements evolved by Lord Diplock to three; namely:

(i) the existence of plaintiff's goodwill.

(ii) A misrepresentation as to the goods or services offered by the defendant; and

(iii) Damage (or likely damage) to plaintiff's goodwill or a result of the defendants misrepresentation.

Very broadly speaking, in order to prevent, the unauthorised use of a geographical indication through a successful action for passing off, a plaintiff must establish that goodwill or reputation is attached to the goods on which the geographical indication is

\(^{17}\) 1970 RPC 31.

\(^{18}\) (1990) 1 All E.R. 873.
regularly used and which are supplied by him, that the defendant misrepresents to the public that the goods offered by him originate from the plaintiff and that he is likely to suffer damage from such as misrepresentation.

3.3.2 Special titles of protection

It was in France where the first statute was enacted which provides for the protection of geographical indications through a special title of industrial property, namely appellations of origin.

3.3.2 (1) Protected appellations of origin

The system of protected appellations of origin was developed out of a perceived need to provide a remedy against fraudulent commercial practices involving the origin of agricultural products and, in particular, products of the vine. Although such practices are probably as old as trade itself, they occurred increasingly during periods when there was a shortage of supply of certain products, such as was the case with certain wines during the phylloxera, crises in parts of European Vineyards in the 19th century.

The French law of May 6, 1919 recognised the existence of appellations of origin and laid down conditions for their protection. According to this law, an appellation of origin consists of the name of a country, region or locality that serves to designate a product originating therein, the quality and characteristics of which are due to the geographical environment, including both natural and human factors. This means that only such products are protected under this special title which originates from a specific area and which owe their specific quality to their place of origin. In other words, a special link between the goods and their place of origin i.e., natural and human factors which are to be found exclusively in the respective area, must be established. In order to
ensure that the products possess the specified qualities, a control mechanism has been, set-up by the competent authorities, and quality controls are carried out regularly. Only products, which comply with the quality standards, are protected by an appellation of origin.\textsuperscript{19} Initially, appellations of origin only concerned wines and spirits, but later the concept of appellation of origin was extended to include other products (such as dairy products (mainly cheese and butter), poultry and plant products).

Appellations of origin are explicitly mentioned as objects of industrial property protection under Article.1 (2) of the Paris Convention. The recognition of a protected appellation is usually based on a legislative or administrative act, such as a law or a decree. This act is at the conclusion of an administrative procedure involving representatives of the producers concerned and the administration. As a result of this procedure, the protected appellation is recognised and the product or products on which it is used, the geographical area of production and the conditions of use are defined. Unauthorised use of a protected appellation or origin constitutes an offences and engages the criminal and civil responsibility of the person who has made such use proceedings are usually instigated by public law bodies, such as fair trading bodies, authorities entrusted with the administration of protected appellations of origin or consumer protection bodies often, authorities competent for the enforcement of fiscal laws play an important role in prosecuting the fraudulent use of protected appellations of origin.\textsuperscript{20} Because of the success of the French appellations of origin, the same or similar system was introduced also in other countries, mainly in the sector of wines and spirits.

\textsuperscript{19} Supra n.7, p.243.
\textsuperscript{20} Supra n.15, p.6.
3.3.2 (2) Registered geographical indications

Registered geographical indications are titles of protection that are very similar to protected appellations of origin, although differences as regards the scope of protection and the applicable procedure may exist depending on the national laws of those countries which apply that type of protection. Thus the protection of a registered geographical indication depends on the registration of that geographical indication, whereas the protection of an appellation of origin usually is subject to the adoption of a specific law or decree. The decision to register a geographical indication may be an administrative decision, for example a determination of a committee, rather than an executive decision by, for example, the comptroller general or the executive head of the agency responsible for the registration of geographical indications.

3.3.3 Registration of Collective Marks or Certification Marks

The protection of a given geographical indication may not only be based on a public or administrative act, but may also result from a private initiative with regard to the latter approach, collective marks or certification marks provide a means for the protection of geographical indications independent from statutory or judicial measures.\textsuperscript{21}

3.3.3 (1) Collective Marks

A collective mark is a mark the use of which is only allowed to the members of a collective body. Such a body can be an association co-operative of manufacturers, producers or traders. The collective mark is owned by the association which exclusively grants its members the right to use it. The association may be a domestic one or a foreign one. A collective mark indicates that the person who uses it for his goods or services is a member of the association which owns the collective mark. These marks are principally

\textsuperscript{21} Collective marks and certifications marks usually depend on the applicable national law.
designed to guarantee certain product characteristics (quality, nature or origin) for consumers. Normally, the use of the collective mark is governed by regulations which have to be submitted to the industrial property office together with the application for registration. The question whether a geographical indication is registrable as a collective mark depends entirely on a given national law. Some national trademark laws exclude the registration of geographical indications as collective marks, although more recently, that exclusion has been abolished by some countries.

Once a geographical indication has been registered as collective mark, the association that owns it has the right to prohibit its use by persons who are not members of the association. However, in case of conflict with a senior right, the members of the association may be excluded from using the collective mark. Moreover, the registration of a geographical indication as collective mark may not, per se prevent the mark from becoming a generic term. Furthermore, the law of some countries contain strict use requirements which may result in the cancellation of the registration of the collective mark in case it is not continuously used.\(^{22}\)

Collective marks are another way that geographical indications are protected in the United States.\(^{23}\) There are two types of collective marks, collective trade (or service) marks and collective membership marks.\(^ {24}\) There are collective trademarks and service marks, which are like regular trademarks and service marks because they indicate commercial origin of goods or service. That is, the mark indicates that the source is a

\(^{22}\) *Supra* n.7, p.244.

\(^{23}\) United States Trademark Act, a collective marks is: a trademark or service mark (1) used by the members of a cooperative, an association, or other collective group or organisation, or (2) which such cooperative, association, or other collective group or organisation has a bonafide intention to use in commerce and applied to register on the principal register, and includes marks indicating membership in a union, an association, or other organisation.

member of the group. Florida orange growers’ mark of purity is one example. Ownership of the collective mark is not vested in the producer or service provider, but in the group, which the producer or provider is a member. All group members use the mark and therefore the collective organisation holds title to the collectively used mark.

Finally, the protection of collective marks is enforced under general trademark law. And therefore, the owner of the collective mark initiates an action for infringement. For example, the collective body would bring an action for infringement against a non member who has used the mark.

3.3.3 (2) Certification Marks

In contrast to collective marks, certification marks and guarantee marks are not owned by a collective body such as an association of producers, but by a certification authority. Certification marks are marks which indicate that the goods or services on which they are used have specific qualities, which may also include geographical origin. The owner of the certification mark undertakes to certify that the goods or services on which the certification mark is used have those qualities. The use of a certification mark is subject to the authorisation of its owner, who does not trade with the mark himself, but ensures that the authorised users comply with the relevant standards. The verification by the owner of a certification mark, speaks of compliance with certain specified standards.

A certification mark certifies that the goods conform to standards laid down and enforced by the proprietor of the mark. It is any word, name, symbol, or device used by a party or parties other than the owner of the mark to certify some aspect of the third parties goods/services. The certifier is the party who owns the certification mark, not the

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25 United States Registration No. 73323851 for Florida Orange Growers Mark of Purity.
authorised user or the agent acting under the certifier’s instruction. There are three types of certification marks, which are used to indicate:

(i) Regional or other origin – there are marks which certify that products originate in a specific geographic region.

(ii) Some marks certify that products meet certain standards concerning quality, materials or mode of manufacture.

(iii) There are marks, marks that certify that the producer has met certain standards or belongs to a certain organisation.

Although there are three types of certification marks, the same marks can be used to certify more than one characteristic of the goods or services in more than one category. For example, the mark ROQUEFORT is used to indicate that cheese has been manufactured from sheep’s milk as well as that it is cured in the caves of the community of Roquefort, France in accordance with their long established methods and processes.

The application for the registration of a certification mark has to be accompanied by regulations which govern the use of the certification mark. Regarding the registrability or geographical indications as certification marks and guarantee marks, the same principles as for the registration of collective marks apply where a geographical indication has been registered as a certification mark or guarantee mark, it may normally

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26 Terry E. Holtzman, *Tips from the Trademark Examining Operation Certification Marks: An Overview*, 81 TMR 180, 182


29 United States Registration No.0571798 for ROQUEFORT for Cheese. The certification statement for ROQUEFORT cheese states: “This certification mark is used upon the goods to indicate that the same has been manufactured from sheep’s milk only and has been cured in the natural caves of the Community of Roquefort, Department of Aveyran, France.”
be used by everybody whose products comply with the requirements set out in the regulation such right to use, however, may not exist in case of conflict with a senior right.

The institution which owns the registered certification mark or guarantee of that mark by persons whose products do not comply with the requirements set out in the regulations.

In general, the protection of a geographical indication through registration as certification mark or guarantee mark is equivalent to that conferred by registration as a collective mark.\textsuperscript{30}

\textbf{3.3.4 Administrative Schemes for Protection}

Where geographical indications are used on goods the marketing of which is subject to an administrative approval procedure, this procedure may be applied also for controlling the use of geographical indications applied to those goods. The example that comes readily to mind is wines and spirits, the sale of which is regulated in many countries.

Under an administrative approval procedure for product labels, the authority entrusted with the administration of that scheme controls whether the product for which marketing authorisation is sought complies with relevant legal requirements including the permitted use of a geographical indication on the label of the product. If the requirements for approval are not met, for example, because the use of a given geographical indication on a specific product is not permitted, marketing approval is not granted and consequently, the geographical indication cannot be used.\textsuperscript{31}

\textsuperscript{30} WIPO \textit{supra} n.7, p.245.

\textsuperscript{31} \textit{Supra} n.15, p.8.
3.4 Evolution of Geographical Indications through Courts

Traditionally, the courts in the UK and the USA understood and applied the common law remedy of passing off to restrain dishonest and wrongful conduct of defendants accused of suing proprietary names, symbols or other indications of plaintiffs. The remedy was generally understood to belong to the domain of private rights and intended to protect the commercial reputation and goodwill of private traders. It was never considered that this remedy could be applied in the domain of public rights such as geographical indications. It is now settled law in common law jurisprudence that a definable group or class of producers has a collective right in the use of their geographical provenance as a protectable form of intellectual property, provided the products owe their collective reputation and good-will to such origin. Looked at from this perspective the right to use the geographical name does not belong to one single individual or company but is available to all legitimate producers and trader of the products concerned.32

3.4.1 American Cases

(a) *City of Carlsbad et al v. Kutnow et al.* 33

The city of Carlsbad, Bohemia, had been for many years the sole and exclusive owner of the mineral springs situated at the city of Carlsbad, the waters of which had been known and celebrated for many years for their peculiar and characteristic healing, medicinal and curative qualities. The said city had been selling the crystalline and power forms of these salts obtained by evaporating and preparing the waters of these springs

32 Latha R. Nair, *supra* n.3, p.47.
33 Decided by the Circuit Court of Appeals, Second Circuit on 2nd December 1895, 68 Fed 794.
under and by reference to the descriptions ‘Carlsbad Sprudel Salts (crystal) and; Carlsbad Sprudel Salts (Powder forms).

The defendant one Mr. Hermann Kutnow, had been using the name improved effervescent Carlsbad powder and the name improved Carlsbad to designate its preparation which was not a genuine Carlsbad product.

The plaintiffs sued the defendant for allegedly violating; their rights in the trade name Carlsbad Sprudel Salts. The Court of first instance (the Circuit Court) injunctioned the defendants. On appeal, the circuit court of appeals affirmed the decision, concurring with the circuit judge to the following effect.

There is no evidence in the record that any artificial salts have from similarity or otherwise come to be known by the name of Carlsbad, as is the case with the Epsom Salts, a term now generally applied to Sulphates of Magnesia, whether such Sulphate of Magnesia comes from Epsom or not. Under these circumstances, the complainant, the city of Carlsbad has the right to indicate the origin of these natural salts by its own name, and would be entitled to the aid of a court of equity to prevent anyone from using that name to induce the public to accept as genuine artificial salts, not the product of the Carlsbad spring. Accordingly, the injunction granted by the circuit court was affirmed.

(b) *Pillsbury Washburn Flour Mills Co. v. Eagle.*

The action was bought by the complainants who for many years had been engaged in the manufacture of flour on a large scale at the city of Minneapolis against the defendants who were engaged as wholesale and retail grocers in the sale of flour at Chicago. The complainants sought to enjoin the defendants from using as a part of their

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34 (1898) 86 Federal Reporter 608.
brand, upon their barrels and sacks containing flour the words Minnesota patent, or Minneapolis, Minnesota.

The complaints were corporations owning and operating for many years flou ring milk situated in Minneapolis claims and counter claims.

The complainants claimed that:

(i) The states of Minnesota and North and South Dakota produced the highest grade and best quality of hard spring wheat in enormous quantities.

(ii) Minneapolis is situated at the extreme south east of this hard wheat region and a natural outlet of the wheat grown in these states for shipment, either as grain or flour throughout the US. The location of the City of Minneapolis upon the Mississippi River was highly advantageous and desirable for flour milling.

(iii) The immense acreage devoted to this product in these states was fertile source of ample wheat crop for the Mills in Minneapolis. All the Mills in Minneapolis used in their manufacture only the highest grade of hard spring wheat grown in Minnesota and the Dakotas, initially using the roller grinding or Hungarian Patent Process.

(iv) Principally because of this trade Minneapolis had acquired a great reputation as a place for flour made in Minneapolis and the flour was generally known as Minnesota Patent flour.

(v) As a matter of fact, all the brands of flour made at any of the complaints mills, had contained and distinctly and prominently exhibited thereon the words ‘Minnesota Patent’, ‘Minneapolis, Minnesota’ such that the use of these words meant and was understood by the trade buyers and consumers to mean that the
flour in the receptacle exhibiting them was made under the patent process as described above somewhere in the state of Minnesota.

(vi) The defendants started their trade in procuring, flour at the mille of the complaints to be packed in sacks or barrels then shipped and delivered to the defendants at Chicago.

(vii) Having built a reputation in the genuine Minneapolis flour which was properly and truthfully labelled. Minnesota patent’, Minneapolis, Minnesota, the defendants ceased to obtain the flour from the mills in Minneapolis and started procuring all or the greater portion of the flour from various flour mills at Milwaukee. The flour procured from these mills was made from wheat of a different grade and from an entirely different locality by flour mills conducted and operated in methods different form the mills in Minneapolis with a large percentage of winter wheat, winter wheat is in quality, reputation and value inferior to the genuine, Minnesota patent, Minneapolis, Minnesota.

In defense, the defendants, claimed:

(i) that the words Minnesota patent etc, did not have the meanings ascribed to them by the complainant or that these were not understood by traders, purchasers, consumers and the public generally to means the flour made and put up at the mills of the complainants.

(ii) That these words used in connection with flour were understood by the trade to designate flour manufactured by the patent or roller or Hungarian process which could be carried on in any part of the world and had no reference to the place of manufacture.
Ratio and Findings- After noticing a previous line of English and American cases, the court held:

As we read the opinion of the court below, the injunction was refused not only because the several complainants could have no exclusive interests in the words, the use of which was complained of as a trademark but not on the further ground that misuse of these words by the defendants could not injuriously affect any one particular manufacturer because they do not imply that any one in particular manufactured the flour sold by the defendant. We think this ground is not tenable. If the complainant were consolidated into one great business concern this objection would be obviated because then, one corporation would manufacture all the flour made at Minneapolis as now the several corporations complaints do. But, if such a corporation would be entitled to relief, we take it that anyone or more of the complainant corporations having a common interest in preventing the fraud will also be entitled to maintain the action.

Accordingly, the defendants were restrained from using the aforesaid words in connection with their flour trade.

(c) California Fruit Canners Association v. Myer.35

Fact and Claims:

The complainants were a number of corporations of California engaged in that state in the business of canning pears, grown there. They claimed that canned California pears was the commercial designation by which the fruit grown and canned in California had been for a long time known to the trade and consumers and as such had a high reputation and increasing sale. The defendants were engaged in the canning business at Baltimore and were putting up pears not grown in California and labelling them so as to

35 (1899) 104 Federal Reporter 82.
assert that they were California pears canned in that state. The complainants sued the defendants for an injunction to prevent the use by the defendants of these deceptive labels.

**Ratio and Findings:**

The Court allowed the complainants claim holding:

This is a clear case of fraudulent competition by the use of a geographical name which the complaints are entitled to use but the respondents are not. It is true that no one single packer can acquire an exclusive right to use, as a private trademark, “California pears” or “California”, as a label on canned pears, but all the persons who put up California grown pears in California have a right to use it; and it has acquired an special trade significance of value with regard to article of food and particularly with regard to fruits the place where they are grown creates often on essential distinction as to quality and flavour; and this distinction, when it has become known in trade by the geographical name of the place where grown, the growers of the fruit are entitled to the benefit of and the consumers should not be deceived. The present is such a case, and presents indisputable ground for the application of the equitable jurisdiction which prevents unfair and fraudulent competition by simulated trade designations. The injunction prayed for will be granted. Accordingly, the defendants were restrained from using the deceptive labels. The court recognised the right to sue the name “California” as a trade designation in respect of fruit.

**3.4.2 UK Cases**

Protection against geographical indications can also be formed in the English law of passing off. Britain developed its own laws of passing off on the misuse of geographical terms in the 19th century.
(a) The Champagne case

The law on geographical indications matured over time like good wine and finally overflowed in the form of a sparkling wine. It was in the late 1950s that an English court held that wines that bubble like champagne, but are made somewhere else, are called sparkling wines, and not champagne even if they are made by the methods Chempenoise. This was famous Spanish Champagne case\(^{36}\) which farmed the basis of protection for champagne not only in England but also other jurisdictions around the world. This case also set out the basis far the law of passing off against misuse of geographical terms. The main issue before court was whether use of the term Spanish champagne in respect of a sparkling wine not produced by the Champagne houses in the Champagne District from grapes grown in the Champagne district and supplied by the champagne Houses to England and Wales, as Champagne amounted to a tort of passing in accordance with the laws in England. The plaintiffs in the action were all producers in wine in the Champagne district.

The suit was instituted on behalf of themselves and all other persons who produce wine in the Champagne district and supply such wine to England and Wales (the Champagne Houses). The plaintiffs alleged that wine produced by the Champagne Houses and each of them and supplied by them to England and Wales is a naturally sparkling wine produced in the Champagne District and is and has long been known to the trade and public throughout the United Kingdom as Champagne and has as such acquired a high reputation.

They alleged that any member of the trade or public in the United Kingdom ordering Champagne or seeing wine advertised or offered for sale as Champagne will

expect the wine so ordered, advertised or offered for sale to be a naturally sparkling wine produced in the Champagne district from grapes grown in the Champagne district and no other.

The region in which the Champagne Vineyards are found is about a 100 miles east of Paris around Rheims and Epernay, where there is a chalky, flity soil and the climate is subject to extreme variation of heat and cold. It appears that these factors give to the wine it particular qualities since 1927 the Champagne viticole district has been strictly limited by law and only certain vineyards are allowed in France to use the name ‘Champagne’, but goodwill has also become attached to the names of the shippers, or brand names as they are called. The wine is a naturally sparkling wine made form the grapes produced in the Champagne district by a process of double fermentation which requires a considerable amount of care. The clam of the plaintiffs that such wine is and has long been known to the trade and the public in the United Kingdom as ‘Champagne’ and as such has acquired a high reputation, is completely supported by the evidence and could not be seriously contested.

It is therefore established that ‘Champagne’ in this country means the product produced in the Champagne district of France by the plaintiffs and the other growers and shippers of that district and Champagne in this country has not come to mean a type of wine whatever may be the situation of some other French wines in this respect.

The defendants wine therefore is not champagne and it is untruthful to describe it as such. Not only is it untruthful, but it was so described deliberately with the object of acquiring sales through the reputation of the world famous and true Champagne. It is dishonest to call the Spanish wine by that name.
This case clearly extended the law of passing off to the quality and kind of goods with this case clearly passing off ceased to be confined to misrepresentation conveyed through use of common law trademark. It extended protecting to products named after and owing their quality to a precise geographic location.

This was the first case which recognised a trader’s right to use a word which was a geographic area as a part of the trader’s goodwill and therefore a right of property as such not withstanding, that the trader shared such right with other traders in the area so designated. The case also laid down the conditions under which protection against misuse of a geographical origin in relation to a specific good can be claimed by a plaintiff trader, who is one among many trader having a right to use of the geographical term namely,

i) Plaintiff has to show that only the goods in question, from the geographical region are known by the geographical term.

ii) That as such the goods have acquired a reputation.

iii) That use of the geographical term by any other trade whose goods do not come from such region, would be deceptive, the nature of deception being one wherein the consumer on seeing such term on such good is likely to believe that the good is that the same as good from the geographic region.\(^{37}\)

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(b) The Sherry case

The case involving the name *Sherry Vine Products Limited and others v. Mackenzie & Company Limited & others* followed the ratio of law laid down in the Spanish Champagne case. This case was decided by Cross J. of the Chancery Division and it was concerned with the issue of passing off and unfair trading by use of the term British Sherry. The Spanish producers, claimed exclusive right to word Sherry. They claimed that Sherry derived its name from the Jerez district of Spain, and for centuries wines of that area had been imparted into England the other hand, however, the court had also to consider that for more than a century wines similar in character had been produced in England and in some foreign countries.

Other than Spain, and sold in England either as “Sherry type” wines or as “British Sherry”, “South African Sherry”, “Cyprus Sherry” or “Australian Sherry”. There was no evidence that anyone was deceived into thinking wines sold by those descriptions emanated from Spain, although some advertisements for “British Sherry” referred to it incidentally as “Sherry” rather than “British Sherry”, or suggested a connection with Spain by reference to a trader called Pedro, or girls in mantillas. The action was defended basing the claim on the long user and acquiescence in sale of wines styled “British Sherry”.

The court held that the Spanish Champagne case had extended the law of passing off to cover a new aspect of the law of unfair trading. The court found that the word “Sherry standing alone ordinarily meant, in the context of buying and selling, a wines from the Jerez district of Spain. The complaint of use of the word “Sherry” simplicities

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in connection with wine which did not come from Jerez was allowed. The court however declined an injunction restraining use of British Sherry. Australian Sherry etc, on the ground that the sherry manufacturers had acquiesced in the use of these words and by virtue thereof had lost the right to complain of the use of the description “British Sherry etc. Some of the findings of Cross, J. relevant to the issue are reproduced herein below:

“If I may say so without impertinence I agree entirely with the decision in the Spanish Champagne case but as I see it uncovered a piece of common law or equity which had till then escaped notice for in such a case there is not in any ordinary sense, any representation that the goods of the defendants are the goods of the plaintiffs, and evidence that no one has been confused or deceived in that way is quite beside the mark. In truth the decision went beyond the well trodden paths of passing off into the unmapped area of unfair trading as unlawful competition”.

While defining the basic requirement for a geographical indication, Cross, J. observed:

“No doubt a plaintiff in this sort of action must establish that the district in which the goods in question were produced and which gives the goods their name is defined with reasonable precision by law or custom. But the evidence in this case shows that would not be the least difficulty. In saying whether or not anyone claiming to be a producers or shipper of “Sherry” was entitled to be so described. It can, of course, make no difference in this connection that the boundaries of the district are not static but are liable to change, provided that there is no uncertainty as to when this change occurs and what is its extent”.

**The Scotch whisky case**

The Scotch whisky case\(^{39}\) was the third in the line of cases on protecting geographical indications. The point in issue was export of Scotch whisky to Ecuador

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where it was to be resold under the labels ‘White Abbey’ and “Scottish Archer” Scotch whisky after being admixed with local cane spirit.

There are two basic types of Scotch whisky, Scotch malt whisky which is made from malted barley only, and Scotch grain whisky which is made from malted barely together with unmalted barely in varying proportions. There are two different processes, the pot- still process which produces malt whisky and the patent as Coffey still process which produces grain whisky. Almost 99 percent of the whisky sold to the public is blended whisky, i.e., a number of malt whiskies are blended with a number of grain whiskies to produce the whisky sold to the public under brand names and the number of whiskies so blended to produce one brand can be as high as 40 to 50. The formula for each brand is secret and the blender, who selects by nose and not by taste, is a very highly skilled individual. Evidence showed of the fact that there were no blenders of Scotch outside of Scotland and England of the one percent of whiskies sold which are not blended, there is one unblended or single grain whisky called “Cameron Brig” sold almost entirely in the kingdom of fife and some 30 unblended or single malt whiskies, but their total sales are no more than one percent and none are exported under any brand names.

The court held that as a producers of Scotch fell within the principle enunciated in the Spanish Champagne case and were entitled to have upheld the description of their product as ‘Scotch Whisky’ which in all the circumstances consisted a trade description since the geographical expression was sufficiently precise and included the origin of the goods. Foster J. held:

“Nor do I think the present case fall outside the principle in Bollinger’s case because blenders of Scotch whisky may be found in England. Blenders who only
blend whiskies distilled in Scotland with other whiskies distilled in Scotland are entitled to use the description of ‘Scotch whisky’ wherever the actual blending takes place”.

Subsequent to the above decision, Scotch successfully defended itself in others jurisdictions as well. In South Africa it got protection in the case of William Grant v. Cape Wine & Distillers.\(^{40}\) The court held that a blend of Scotch whisky with coal spirit, which was deceptive in itself along with advertising material showing and Scotsman in full highland dress and carrying the slogan “the years in Scotland makes all the difference” was unlawful competition. In long John International v. Sellenbosh Wine.\(^{41}\) Trust the court enjoined the product called “Ben Nevis Scotch Whisky Liquor” with a Scottish theme to the label the product consisting whisky distilled with water and sweetened with sugar.

In the US also Scotch met with instant success. In Scotch Whisky Association v. Barton Distilling Co.,\(^{42}\) an injunction was granted against the false use of Scotch on whisky as violation of Sec.43 (a) of the Lanham Act. In Scotch Whiskey Association v. Consolidated Distilled Products, Inc.\(^{43}\) The Court held that LOCH-A-MOOR for liquor made from imported Scotch whiskey bottled in USA was likely to mislead under Sec.43 (a) based on a survey evidence of 32.7 percent response giving Scotland as place where respondents though the product comes from.

3.4.3 Protection of Geographical Indications by Indian Judiciary

In India GIs is governed by common law principles before implementation of the Geographical Indications of Goods (Registration and Protection) Act, 1999. Prior to this

\(^{41}\) (1990),4SA,136).
\(^{42}\) (489 F. 2d 809, 179 USPQ 712 (7\(^{th}\) Cir 1973) as cited in http://www.uspto.gov.
\(^{43}\) (210 USPQ 639).
the Indian judiciary in the absence of any legislation applied the principle of passing off to protect geographical indications. They have entertained petitions in cases of infringement of geographical indications that misleads the consumer as to the place of origin or constitute unfair competition. In such cases they have granted relief including grant of injunction retraining the defendant to use such indications.\textsuperscript{44}

There have been several decisions by the various High Courts as well as the Trademark Office in India, refusing to register trademarks containing geographical indications as well as trademarks suggestive of famous geographical indications thereby upholding the rights in geographical indications. Interestingly, most of these pertain to the protection of the geographical indication ‘Scotch whisky’.

\textbf{(a) Dyer Meakin Breweries v. Scotch whisky Association} \textsuperscript{45}

This case assumes significance in Indian jurisprudence because it is the first case where the ratio of the Spanish Champagne case was relied on by the SWA in asserting its rights before an Indian Court.

The genesis of this case was an application filed by Dyer Meakin Breweries, the defendant company, to register the mark ‘Highland Chief’ in respect of a product described as ‘malted whisky’. The trademark also contained the device of the head and shoulders of a Scottish gentleman wearing feather bonnet and plaid and tartan edging. Highland is the region in Scotland most famous for Scotch whisky.

The said application was opposed by the SWA which is a non trading body consisting of producers and sellers of Scotch whisky and established with the principal aim to protect the interests of these producers and sellers in the name Scotch whisky.


\textsuperscript{45} AIR 1980 Del 125.
It was contended by the association that the description Scotch whisky was not
generic but related solely to the geographical origin of the product and meant whisky
distilled in Scotland. Further the words ‘Highland Chief’ when used in relation to malted
whisky would be assumed by purchasers to relate to a product of Scotland since the
Highlands of Scotland are an area world famous for the production of whisky. It was
also stated that the impression created by the words ‘Highland Chief’ was further
reinforced as the label bore prominently the device of the head and shoulders of a
gentleman dressed in Scottish Highland costume wearing, *inter alia*, feather bonnet and
plaid edged with tartan a well known symbol of Scottish origin. It was submitted that the
mark in question was likely to deceive or cause confusion as to origin and source.

In its defense, Dyer Meakin Breweries conceded that the expression ‘Scotch
whisky’ meant whisky distilled in Scotland and that it could only be used in relation to a
product wholly distilled in Scotland. They argued that, however, the label bore the name
and place of manufacture and bottling in bold letters and set forth that it was indeed a
product of India and therefore, there could not be any confusion and deception.

The Assistant Registrar of Trademarks rejected the opposition on the ground that
there was no evidence to indicate that the purchasing public in India associated the words
‘Highland Chief’ with whisky produced in Scotland. However, SWA’s appeal against
the decision before the single judge of the High court of Delhi was accepted and the
application filed by Dyer Meakin was dismissed. Dyer Meakin appealed to the Appellate
Bench of the High Court of Delhi. By a detailed order, the Appellate Bench upheld the
order of the Single Judge and held that:
“It would thus follow inferentially that the words ‘Highland Chief’ by themselves or because of the presence of pictorial representation of the Highlands on being used a trademark in respect of the applicant’s whisky, which admittedly is not Scotch whisky, would be likely to deceive or confuse unwary purchasers in thinking that the whisky is Scotch whisky”.

The Appellate Bench further went on to hold the use of Highland Chief as a case of false trade description within the meaning of the Indian Trade and Merchandise Marks Act 1958. Under the Act, ‘false trade description’ means inter alia, a trade description which is untrue or misleading in a material respect as regards the goods to which it is applied. The expression ‘trade description’ is further defined to mean description as to the place or country in which any goods are made or produced. The devise being a well known symbol of Scottish origin would enhance the impression made by the words ‘Highland Chief’ having some nexus with Scotch whisky produced in Scotland. Highlanders being Scottish soldier are well-known in history and literature and the Highlands are well-known as the best region of Scotland producing Scotch whisky. It was held that the trademark would, therefore, be a false trade description disentitled to protection under the Act.

(b) Scotch Whisky Association & Anor v. Parvara Sahakar Shakar Karkhana Ltd.46

This was a passing off action initiated the SWA along with a producer of Scotch whisky against the defendants for a declaration that their use of the device of the Scottish Drummer wearing a kilt or the tartan band or the word ‘Scotch’ coupled with the description ‘Blended with Scotch’ on their Indian whisky sold under the marks ‘Drum Beater’ and ‘Gold Tycoon’ would amount to passing off its whisky as Scotch whisky,

46 AIR 1992 Bom. 295.
thereby misleading other trades and customers and damaging the reputation and goodwill of Scotch whisky on these fact the Bombay High Court held:

(i) The plaintiff have sufficient interest and locus standi to prevent passing off of Indian whisky manufactured by defendant as ‘Scotch whisky’ and to prevent damage to reputation and goodwill of Scotch whisky.

(ii) The plaintiffs have made out a strong prima facie case that the defendants are passing off their goods as Blended Scotch whisky or goods closely and substantially associated with Blended Scotch whisky when in fact they are not. The plaintiffs have therefore made out a case for grant of an interim injunction on merits of the case.

(iii) Even unintentional misrepresentation is also actionable is unfortunate that the defendants have resorted to unfair by using the words ‘Blended with Scotch’ and indulged in colour imitation and unfair trading in an attempt to reap harvest appropriation of plaintiffs goodwill in Scotch whisky trade attempt of the defendants to justify the use of the words Blended with Scotch has totally failed. The balance of convenient in favour of the defendant.

(iv) The defendant is restrained from advertising or offering sale or distributing in any country whisky which is not Scotch whisky with the description ‘Blended with Scotch whisky’, ‘Blended Scotch, whisky or ‘Blended with six year old Scotch’ or ‘Blended with six year old vatted malt Scotch’ or the Scotch or the impugned labels or the impugned carton which the mark ‘Gold Tycoon’ containing the word ‘Scotch’ description ‘Blended Scotch’ whisky or ‘Blended with six years’.
(v) From the aforesaid decision it is evident that the judiciary in India is affording adequate protection to geographical indications even in the absence of any legislation in force. It is significant to note that such protection was afforded much before the TRIPs Agreement came into force.

(c) *Imperial Tobacco Co. of India Ltd v. Registrar of Trade Marks & Another.*

Can geographical name without any relevance to the trade registered as a trademark. This issue was raised in this case. The Imperial Tobacco Company of India applied to Registrar of Trademarks for registration. The trademark registration is a label, used as wrapper of packets of cigar bearing the device of snow clad hills in outline with the ‘Simla’ written prominently in various panels of the label small inscription that the content is a product of the appellant company. The registrar rejected the application for registration. Thereupon the company filed an appeal before the Calcutta High Court. The Calcutta High Court while disallowing the appeal laid down the following principles:

(i) No trademark should be allowed to be registered which may hamper or embarrass the traders or trade now or in future in respect of the place or country which is proposed to be registered.

(ii) In view of the imprint of snow clad hills in outline in the trade ‘Simla’ the ordinary or geographical significations obvious and patent even though it has not reference to the quality or place of origin of the goods. Further, registration of such trademark may hamper or embarrass the trade or traders in or around the locality in future as held by judicial authorities cited earlier in similar cases. Also ‘Simla’ is too prominent city, the capital of Himachal Pradesh, well-known in the

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47 AIR 1997 Cal 413.
country and abroad and in its ordinary or geographical significance it is inherently neither distinctive nor adapted to distinguishing the goods of the appellant as a particular trader from those of others, and is also hit by the provisions of Sec.9 subsection (1), cl (d) of the Trade and Merchandise Marks Act, 1958.

(d) Khoday Distilleries Ltd v. Scotch Whisky Association and Anor.\textsuperscript{48}

This case was an appeal before a single judge of the High Court of Madras against an order passed by the Assistant Registrar of Trademarks in a rectification, expunging the trademark ‘Peter Scot’ registered in the name of Khody Distilleries. The rectification application was filed by the Scotch whisky Association on the basis that the words ‘Peter Scot’ were likely to deceive or cause confusion as to origin. Aggrieved by the order, Khoday Distilleries, the defendant/appellant filed this appeal.

The rectification action was filed against the appellant’s mark ‘Peter Scot’ used in respect of whisky manufactured in India. Besides the rectification action, the respondents had also filed a passing off suit before the High Court of Bombay alleging that the whisky sold by the appellant under the name ‘Peter Scot’ had resulted in the passing off the goods of the appellant as that of the manufacturer of Scotch whisky in Scotland who are well known for the Scotch whisky manufactured by them and which is universally known as Scotch whisky. In view of the rectification action, the proceedings in a suit were kept in abeyance.

In the rectification proceedings, the respondents filed an affidavit by one Peter Jeffery Warren who along with this father was in the employment of the appellants for some time. During that period Mr. Warren and his father Peter Warren had helped the

\textsuperscript{48} AIR 1999 Mad 274.
appellant set up their distillery. Mr. Warren stated in his affidavit that the trade name ‘Peter Scot’ might have been coined with his father in mind, i.e., using his first name ‘Peter’ and his nationality ‘Scot’. The appellants did not dispute the contents of this affidavit.

Based on this affidavit and other evidence, the respondent, the SWA argued that the use of the word ‘Scot’ was likely to result in deception and confusion as to the customers were likely to be misled into thinking that the use of the name ‘Scot’ as part of the mark under which the whisky is sold would indicate that the whisky was of Scottish origin. It was submitted that the word ‘Scott’ formed part of the names of most distilleries in Scotland.

In their defence, the appellants argued that there was delay and acquiescence in bringing the action since they had been using this marks since 1970. Further, the likelihood of deception was nil since in the bars and restaurants, Per Scot was listed under Indian whiskies and never as a Scotch whisky.

The cases discussed above are the most prominent ones upholding the rights in geographical indications. There are many more reported cases where courts and tribunals have upheld the rights in famous geographical indications. Such as Champagne and Scotch whisky through passing off actions, trademark opposition proceedings and trademark cancellation action. A review of the above cases would compel one to say that this jurisprudence evolved through passing off actions in common law jurisdiction especially the UK.
3.5 Protection of Geographical Indications Systems in Different Countries

Countries differ considerably in the way their laws handle geographical indications. Some have specific geographical indications laws others use trademark law, consumer protection law, marketing law or common law or combination of these.49

3.5.1 The protection of Geographical Indications in USA

In the U.S.A., ‘geographical indications’ are protected under the US Trade Marks Act as ‘trademarks’,50 ‘collective marks’,51 or ‘certification marks’.52 The United States geographical indications system uses administrative trademark structures already in place, and provides opportunities for any interested party to oppose or cancel registered geographical indications if that party believes that it will be damaged by the registration or continued existence of a registration. The same governmental authority (the United States Patent and Trademarks Officer of “USPTO”) processes applications for both trademarks and geographical indications.

The United States does not protect geographic terms or signs that are generic for goods /services. A geographic term or sign is considered “generic” when it is so widely used that consumers view it as designating a category of all of the goods/services of the same type, rather than as a geographic origin. As an example, the word, “apple” cannot be protected as a trademark for apples because the word “apple” is the generic name for

50 The term “trademark” includes any word, name symbol, or device or any combination thereof…. To identify and distinguishes his or her goods, including a unique product, form those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.
51 A collective trademark or collective services mark is a mark adopted by a “collective” (i.e., an association, union cooperative, fraternal organisations, or other organised collective group) for use only by its members, who in turn use the mark to identify their goods or services and distinguish them from those of non-members. (Explained by the Trademark Trial and Appeal Board (TTAB); a USPTO Administrative Tribunal).
52 A certification mark is any word, name symbol, or device used by a party or parties other than the owner of the mark to certify some aspects of the third parties goods /services.
the fruit. Many countries, such as the United States, do to protect generic indications because they are believed to be incapable of identifying a specific business source (or a specifically defined collective producing source). Once a geographic designation is generic in the United States any producer is free to use the designation for its goods/services.

Another feature of the United States trademark geographical indications system is that it provides the trademark of geographical indications owner with the exclusive right to prevent the use of the mark geographical indications by unauthorised parties when such use would likely cause consumer confusion mistake or deception as to the source of the goods/services. In this way, a prior right holder has priority and exclusivity over any later users of the same or similar sign on the same, similar, related, or in some cases unrelated goods/services where consumers would likely be confused by the two uses.53

Protecting geographical indications as trademarks, collective or certification marks employs the existing trademark regime, a regime that is already familiar to businesses, both foreign and domestic. Moreover, no additional commitment of resources by governments or taxpayers is required to create a new geographical indications registration of protection system. A country’s use of its existing trademark regime to protect geographical indications involves the use only of resources already committed to the trademark system for applications, registrations, oppositions, cancellations, adjudication, and enforcement. In addition to fulfilling all of the requirements of substantive geographical indications and trademarks obligations in TRIPs, this system meets the requirement for national treatment and the obligations in

TRIPs regarding enforcement. Also, the system is self-policing: competitors, businesses in the geographical area, or mark owners will undoubtedly raise issues of infringements, and failure to comply with certification standards, among other things. Thus, governments do not have to commit additional enforcement resources to ensure compliance. Moreover private owners are not forced to wait for their government to take action against infringement or address unauthorised use. The owner can determine when to take action and may do so immediately, at the first sign of infringement, thus preserving profits before they are channelled towards a competitor.

Certain aspects related to wines and spirits are administered under the Administrative Labelling Regulations by US Alcohol and Tobacco Tax and Trade Bureau (TTB) (Formerly ATF).54

These provide the legal framework for interested parties. (i) to prevent the use of a geographical indications that indicates or suggest that a good originates in a geographical area other that the true place of origin in a manner that misleads the public as to the geographical origin of the good. (ii) to prohibit the registration of marks which consist of or comprise a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits y the applicant on or after one year after the date on which the TRIPs agreement enters into force with respect to the United States. 55

Names like IDAHO POTATOES, Real California Cheese and Design certification mark for Cheese or Florida Sunshine tree: Certification mark for oranges, or VIDALIA ONIONS, or NAPA VALLEY Reserve and Design as certification mark for still wines

and sparkling wines, pride of New York and Design certification mark for agricultural products which are produced or processed in New York. Ohio River Valley, a recognised viticulture area or Washington State Apples are used in the United States and are protected as certification marks under U.S. trademark laws against unfair competition and trademark infringement, whether or not they are registered with the USPTO.

The following are examples of geographical indications of foreign countries that have been protected in the USA:

(a) BRUNELLO DI MONTALCINO (U.S.Regi.No.1,860,163- Italy.

(b) COCNAC (Common-law, unregistered geographical indication certification) – France

(c) LIEBFRAUMILCH (U.S. Reg.No.1008, 251)- Germany.

(d) MOSEL (US.Reg.No.1008,252)-Germany

(e) VINO NOBILE DI MONTEPULCIANO (U.S.Reg.No.2251,165)-Italy

(f) DARJEELING (U.S. Reg.No.2,685, 923)- India

(g) JAMAICA BLUE MOUNTAIN COFFEE (U.S.Reg.No.1,414,598) -Jamaica

As per the USPTO, the registration of the geographical indication on the Principal Registrar of the USPTO provides several advantages, eg.

i) Constructive notice to the public of the registrant’s claim of ownership of the marks;

ii) A legal presumption of the registrant’s ownership of the mark and the registrant’s exclusive right to use the mark nationwide on or in connection with the goods/services listed in the registration;

iii) The ability to bring an action concerning the mark in federal court;
iv) The use of the U.S. registration as a basis to obtain registration in foreign countries; and

v) The ability to file the U.S. registration with the U.S. customs service to prevent importation of infringing foreign goods.

3.5.2 European Union

The European Union and its member counties have had a long history of regulating the use of geographical indications and related IPRs. Before 1992, the European country did not have a common approach to the protection of geographical indications. Each member adopted its own ways of dealing with the issue, either through general or specific laws. At the European country level, “several acts regulating product designations for wines and spirits were adopted as from 1970, but there were no rules for agricultural products and foodstuffs”. The situation remained unchanged until 1992. In that year, Council Regulation on the Protection of Geographical Indications and Designation of Origin for agricultural products and Foodstuffs was adopted.

Subsequently, it entered into force on 26 July 1993. In broad terms, the European Unions Regulations of Geographical Indications is part of its wider economic and agricultural strategy including adjustments to the common Agricultural Policy and Consumer Protection.

The scope of the regulation is limited only to agricultural products and foodstuffs. This means that industrial products are excluded from its coverage. The regulation

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57 Increasingly, the need to develop EC-wide legislation on Geographical Indications was felt. In particular the case regarding cassis de Jijon in 1978 served to emphasize this need and to push the EU to review its food law. See case 120/78, Rewe Zentrale v. Bundes Monopolverwaltung fur Brantwein (1979) E.C.R. 649 3 CM.L.R 494.

therefore covers products such as mineral and spring water, bread, pastry, cakes, confectionary biscuits, natural gums and resins, beer and others. It does not cover wines and spirits which come under different regulations. According to its article 6 Regulation 2081/92 provides for the maintenance of a register of geographical indications to be protected by the European Country. In article 10, it also includes specifications that protectable geographical indications should meet and implementation mechanisms in the sense that member countries are required to have inspection procedures to ensure that the specifications are complied with. The regulation has a number of distinctive features. For instance, rather than using the French concept of ‘appellation of origin’, the regulation instead refers to geographical indication, (like in the TRIPs agreement), and designation of origin. Article 2 distinguishes between these two. A” designation of origin” is the name of a region, specific place or a country, used to describe an agricultural product or a foodstuff. However, in order to be registrable the ‘designation of origin’ must meet three conditions: the product must originate in that geographic area, the quality or characteristics of the product must be essentially or exclusively due to the geographical environment including natural and human factors, and the production, processing and preparation of the product must take place in the defined geographical area.

A ‘geographical indication’ on the other hand is the name of a region, a specific place or a county, used to describe an agricultural product or foodstuff. It can only be protected if the product originates in the designated geographical area, if the specific

59 The European Union also protects a third designation known as Traditional Speciality Guaranteed (TSG) A TSG “does not refer to the origin of a product but instead highlights traditional character, wither in the composition or means of production”.

quality, reputation or other characteristics of the product are attributable to its geographical origin, and if the production processing and preparation of the product takes place in the defined geographical area. The appellation of origin requires production, processing and preparation to take place in the designated region, while use of a geographical indication is available as soon as just one of them takes place there. Hence, geographical indication is broader in scope as it does not include in it criteria the environment natural and human factors. The French inclusion of all these factors in the ‘appellation of origin’ doctrine is similar in definition to the ‘designation of origin’. In article 13(3) the regulation precludes the possibility of a geographical indication falling into public domain. In general, its protection of geographical indications is quite strong. For instance, its article 13 does not allow the use of a geographical indication even if it is accompanied by a qualifying word such as an ‘imitation of gorgonzola’. According to this article registered geographical indications and ‘designations of origin’ benefit from the same protection in all member states of the European Country. The bundle of rights it assigns a proprietor of such an IPR includes the right of exclusive use of the designation or geographical indication.

Finally and quite importantly, the European Union Regulation tries to resolve any tensions between geographical indications and designations of origin on the one hand, and TMs on the other. Article 14 relies on the motive of registration to distinguish between a TM whose protection can continue and one whose protection would have to cease in the event of conflict. In sum, it says that if a TM which predates a geographical indication or designation of origin was registered in bad faith, its protection would cease as soon as the parallel geographical indication or designation of origin is registered. If on
the other hand a TM was registered in good faith, it could co-exist with a geographical indication or designation of origin for a specified period of time. Article 14 also places restrictions on the registration of geographical indications or designations of origin when they would overlap with a TM which enjoys a wide reputation and if such registration would be deceptive or confusing.

Changes have been introduced by way of Regulation No.692/2003. This regulation has amended Article 14 of Regulation 2018/92, by extending its application to non-European Union Counties is certain conditions are met. These conditions are: a comprehensive product specification, effective inspection arrangements and right to objection and, lastly, the conferred of equivalent protection to corresponding products coming form the European Union.

On 20 March 2006, the Agriculture Council of the European Community adopted Regulation 510/2006, on the protection of geographical indications (PGIs) and Designations of Origin (Dos) for agricultural products and foodstuffs replacing the European Country Regulation 2081/92. The new regulation confers protection as designations of origin and geographical indications to certain agricultural products and foodstuffs for which a link exists between product or foodstuff characteristics and geographical origin. However, its scope would be enlarged to encompass other agricultural products or foodstuffs.

Any group, association, irrespective of its legal form or composition, of producers or processors working with the same agricultural product or foodstuff, may apply for registration other interested parties may participate in the group. A natural or legal person may be treated as a group in accordance with detailed rules.

60 Info@origin-gi.com visited on 8.9.2008.
3.5.3 The protection of geographical indication in Singapore

In Singapore, protection is limited to geographical indications of a country or territory which is a member of World Trade Organisation (WTO), a party to the Paris Convention for the protection of industrial property, or one designated in the government gazette by the Minister as a qualifying country.\(^{61}\)

The legal framework for the protection of geographical indication includes The Geographical Indications Act (Cap.117B) covering natural or agricultural product or any product of handicraft or industry that came into force from January 15, 1999 and The Trade Marks Act (cap.332, 2005 Rev.ed.) which is applicable to all goods and services. In contrast to the laws in several countries the geographical indication law in Singapore does not provide for registration of geographical indications. In Singapore geographical indications enjoy automatic protection where they satisfy the elements required by the geographical indication law.\(^{62}\)

The Geographical Indications Act is relevant (that is chapter 117 B)\(^{63}\) being completely a new piece of legislation. Prior to the enactment of this Act, geographical indications were protected under the consumer protection Act and the general common law of passing off. They could even be registered as trademarks, under the Trademarks Act.

**The Geographical Indications Act**

The Act seeks to prevent the following acts;

1) the use of misleading geographical indications

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\(^{61}\) [http://www.wipo.org](http://www.wipo.org)


\(^{63}\) The Geographical Indications Act Singapore is classified into chapter unlike that of India which is in sections.
2) the registration of misleading geographical indications as trademarks, and

3) the use of geographical indications which would constitute an act of unfair competition within the meaning of Paris Convention for the Protection of Industrial Property (1967)

Additional protection is provided for wines and spirits under the Act in accordance with the TRIPs agreement. The Act prohibits the use of geographical indication even if the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expression such as “kind”, type”, “style” imitation of the like.

The Act allows for institution of proceedings by producers of trader of goods identified by geographical indications or an association of these persons to institute proceedings against a person for committing an act prohibited under the Act.

Further the Act also contains, and mentions specifically the circumstances when geographical indications are not protected. That is;

(i) when it is contrary to public order or morality;
(ii) when it has fallen into disuse or has ceased to be protect din its country of origin;
(iii) when it has become the common name in Singapore of the goods or services which it identifies.
(iv) when it has been continuously used by a Singapore citizen or individual resident in Singapore for10 years before 15 April 1994, or in good fairth before that date;
(v) when it is identical or similar to a trademark which had been used or registered or an application had been made to register that trademark in good faith either before
the geographical indications act came into force or before that geographical indication is protected in its country of origin.

(vi) when it is the name of a person or his predecessor in business.

A producer, trader or an association of these persons instituting proceedings under the act may ask the court to grant either an injunction to restrain the defendant from continuing the prohibited act, or an award or damages resulting from, an account of profits derived from the commission of the prohibited act, or both of the foregoing remedies.

3.5.4 Protection of geographical indications in New Zealand

The law enacted by the New Zealand is comprehensive at the same time is not as complex as French Law (with the formation of the appellation of the appellation of origin controlec or AOC). 64

The procedure prescribed for obtaining a protection under Geographical Indication Act of New Zealand in brief, is as follows;

A person interested in getting protection for a particular geographic indicator can apply to the surveyor general and this application must contain details as to the geographical origins of the product, the conditions in that geographical area, which are responsible for the characteristic features and the boundaries of the geographical area.

An obligation is then cast on the surveyor general to appoint a committee of not less than three members within 20 days of the application being submitted. The committee will comply with the principles of natural justice, and after inviting objections (within a two month period) and must consider any objections as expeditiously as possible and then decide as to whether the product can be given protection as a

geographical indication. The Act also provides for automatic registration of indications outside the process motioned above if the product originates from certain specific geographical areas. The procedure for registration prescribed by the European Union in Council Regulation is similar to that of New Zealand and is also comprehensive one.65

3.5.5 Australia66

In Australia, the framework for the protection and enforcement of geographical indications against unfair competition with specific stipulations prohibiting and conduct which would mislead or deceive or likely to mislead or deceive the public regarding the place of origin of goods or the nature, characteristics or suitability of any goods and services include:

(i) Australian Wine and Brandy Corporation (AWBC) Act 1980 and Regulations AWBC Administrative Guidelines covering: process for registration and setting of conditions for geographical indications of Foreign Countries; process for Registration for geographical indications or Agreement countries; process for cancellation of geographical indications for Foreign and Agreement countries;

(ii) Trademarks Act 1995 and Regulations;

(iii) Trade Practice Act 1974;

(iv) State provisions such as the liquor and Accommodation Act 1990 (Tasmania) and Fair Trading Acts of States and Territories;

(v) Truth in labelling legislation such as the Commerce (Trade Descriptions) Act 1905, and Regulations;

65 Ibid.
(vi) Common law tort of passing off;

(vii) Australia New Zealand Food Standards Code;

(viii) The various state and territory Food Acts supply protection for all foods.

Geographical indications may be registered under Australian trade mark legislation as certification trademarks that indicate origin with the term signifying a link between the origin of the goods and their essential quality, reputation etc to ensure.

(i) the exclusive use of the term for those entitled to it;

(ii) that consumers are not mislead as to the true origin of goods and services.

The protection is for 10 years which is renewable indefinitely upon payment of renewal fees.

Australia introduced part VIB of the Australia Wine and Brandy Corporation Act 1980 (cth) (AWBC Act) on 16 December 1993. Under that Act, the Geographical Indications Committee (GIC) was established, as was the register and protected names. The Act made it an offence to knowingly sell wine with a false or misleading package and deemed the package to be false or misleading in certain circumstances, by reference to words of expressions included in the register of protected names.

Regulations were made under the AWBC Act in December 1993 (AWBC Regulations) that, among other things set out the so called “blended rules” and a schedule of European Geographical Indications and TEs that were to be phased out on certain dates. Then on 4th October 1994, further regulations were introduced setting out the criteria that the geographical indications is to have regard to in determining a geographical indication in relation to any particular region.
Definition of geographical indication under the Australian legislation

The term ‘geographical indications’ is defined under the Trade Marks Act 1995, the Australian Wine and Brandy Corporation Act 1980, and the Australian Food Standards Code Spirit Standard.

As per section 6 Trade Marks Act 1995 geographical indication, in relation to goods originating in a particular country or in a region or locality of that country, means a sign recognised in that country as a sign indicating that the goods:

(a) originated in that country, region or locality; and
(b) have a quality, reputation or other characteristic attributable to their geographical origin.

Section 4 of the Australian Wine and Brandy Corporation Act 1980 states that: “geographical indication”, in relation to wine means:

(a) a word or expression used in the description and presentation of the wine to indicate the country, region or locality in which the wine originated; or
(b) a word or expression used in the description and presentation of the wine to suggest that a particular quality, reputation or characteristic of the wine is attributable to the wine having originated in the country, region or locality indicated by the word or expression.

Procedure for registration of recognition of a geographical indication - The following steps are followed upon the receipt of an application as per regulation 25 of the AWBC Regulations

a) The Geographical Indication Committee (GIC) formulates ad interim determination after consultation with the declared wine marker organisation
and grape grower organisations or any such other organisations as the commit would think.

b) The ‘interim determination’ is then published in the Commonwealth Gazette Government Notices and the local newspaper.

c) All interested parties within one month of the interim determination’ being published have to make submissions to the Geographical Indications Committee in respect of the determination.

d) As per section 40V of the AWBC Act, the notice of “interim determination” does not impose limitations on who is able to make submissions on the determination.

e) Following the assessment and evaluation of the submissions made, the Geographical Indications Committee verifies with reference to the submissions made, if any of the provisions of the application concerning the interim should be modified.

f) Consequently, the geographical indications committee would publish in the Commonwealth Gazette Government Notices and local newspaper a “final determination”.

g) once the ‘final determination’ has been published any further submissions of any opposition are to be made under the (Commonwealth) Administrative Appeals Tribunal Act 1975 to the Administrative Appeals Tribunal (AAT) within a period of 28 days of the publication of the “final determination”.
h) Application to the AAT for a review of the “final determination” must be made by or on behalf of any person whose interest are affected by the determination, as provided in the AWBC Act.

i) The Tribunal will analyse the ‘final determination with reference to the submissions made to them and will announce their final decision regarding the matter, following which the “final determination” is entered into the RPN.

j) Once the final determination” becomes effecting any further submissions of opposition received by the geographical indications committee will usually be referred to the original applicant.

Within the realm of the Trade Marks Act, 1995, any person has the power to oppose the registration of a trademark on the grounds that the mark contains or consists of a geographical indication where the goods in respect of which the mark is to be used do not originate in the region of the geographical indication. However, the geographical indication, which has been opposed, should be in the present use for the designated goods in the country where the designated goods originate. All the oppositions have to file with evidence in support of the submissions made. However, none of the Australian legislation or regulations regarding geographical indications allows geographical indications to be licensed.

3.5.6 Brazil

Geographical indications are protected in Brazil under

1) Industrial Property Law No.9297 form May 1996, entered into force in May 1997 covering all goods and services and the Act No.134 of 1997 and No.75 of 2000 related to the process of registration.

The Ministry of Development, Industry and Foreign Trade, National Institute of Industrial Property INPI is the designated authority responsible for the registration of geographical indications.

The industrial property law provides:

a) Definitions for denominations of origin;

b) Formal examination of geographical indication application;

c) Publication of approved INPI geographical indication application;

d) Provision for opposition of the approved geographical indication within 60 days of the publication;

e) Extension of the protection granted to the geographical indications to the graphical or figurative representation of a geographical indication, as well as to the geographic representation of the country, city, region or location in which the name is a geographical indication;

f) Use of geographical indication in a product container, case, tape label, invoice, circular, letter or poster, or in any other means of disclosure or advertising, indicative terms such as “type”, “species”, “kind”, “system”, “similar”, “substitute”, “identical” or the like, failing to clearly state the true origin of the product;

g) No registration of generic names as geographical indication though no criteria as to the generic nature of a geographical name of “everyday use” are given;
h) No registration as geographical indication when the geographical name has entered into everyday use designating given product or service;

i) No protection extended to the translation of geographical names;

j) The term for a registered geographical indication is indefinite provides the conditions that granted it continue to exist.

A geographical indication applicant is expected to provide detailed information that includes full geographical name and legal name of the applicant a description of the characteristics of the product or service, rules of use of a geographical name, and an official document that defines the geographical zone.67

MERCOSUR/6MC/RES.No.26/03- Technical Rule for the labelling of packaged foods – which applies to the labelling of any food that is commercialised in the market of member states of the MERCOSUR, regardless of its origin protects consumer interests in the entire Member States as it:

(i) Prohibits the use of geographical applications of a country, a region or a population, recognised as places in which are manufactured foods with specific characteristic, in the labelling or the advertisement of foods, manufactured in other places, when this can mislead the consumer.

(ii) Prohibits the use of the expression “type/tipo”, to names associated with wines and spirits.

3.5.7 Canada

The term geographical indications usually is used in its broadest sense, to mean any expression or sing that is used to indicate that a product originates in a country a region, or a specific place. Names such as Canada, Toronto, and Niagara are examples of

67 “Vale dos Vinhedos”, a Brazilian Wine has been registered as a Geographical Indications in Brazil.
geographical indications in the broad sense. An appellation of ‘origin is a specific kind of geographical indication: it refers to names which are applied to products having specific characteristics or qualities as a result of natural or human factors or a combination of both. Cognac and Roquefort are examples of appellations of origin. In this regard appellation of origin is similar to the present definition of “geographical indication” in the Trade Marks Act, at least with reference to a wine or spirit.

The origin of Canadian trade mark common law can be traced to the middle ages, when trade guilds in England required artisans to mark their goods to enable the public to determine the origin of the goods. A particular mark such as a representation of a crown might have been used by particular artisan to denote his goods and to distinguish his goods from other artisans. Also, some town became known for the expertise of local artisans in a particular trade. The name Sheffield for example, became renowned for cutlery. In addition, in some localities, natural conditions such as the chalky soil of Chablis resulted in natural products, such as wine of particular characteristics. In other cases both natural and human factors combined to give goods made in a particular locality a recognisable distinctiveness, such as Roquefort Cheese.

It is therefore understandable that from the very beginning of the development of trademark law, the concept of “origin” could mean different things, depending on the context. In one sense, “origin” could mean the person or firm responsible for making or selecting the goods. In another sense, “origin” might mean the geographical location or region where the goods were made or produced. In some cases, the public would rely
upon a mark that indicated the maker; in other cases a geographical indication might be the more important factor influencing a decision to purchase the goods.68

Regardless of the context, at common law, protection was given if it could be shown that the mark under consideration had acquired a reputation, in the sense that it was known to and relied upon by the public as indicting origin, that its misuse had caused or was likely to cause confusion, resulting in damage to the good will or business of the trademark owner. Thus in 1872, in *Radde v. Norman*,69 a British Court enjoyed the use of a name of a particular salt mine, except in relation to salt which came from that mine other nineteenth century cases gave protection to the name of a district in Portugal from which wine known as Seixo70 was produced, and to names of towns from which beer,71 starch,72 and firebricks73 respectively were made.

The fact that more than one trader in a particular locality might have been using the same name did not preclude an action by any of them against deceptive use of the name by a third party. It was thus not necessary to provide that the plaintiff had an exclusive right to the use of the name.74

At common, from the very beginning, geographical indications were as entitled to protection as any other mark, provided secondary meaning and likelihood of deception leading to damage could be proved.

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69 (LR 14 Eq 348 (1872).
70 *Seixo v. Provezende* (LR) 1 Ch App 192 (1866).
72 William Wortherspoon and Anothers v. John Currie, (LR) HL 508 (1872)
3.6 Conclusion

In order to understand the legal protection of GI’s, understanding its evolution is essential. The first laws protecting GI’s found as 14th and 15th century in France, Portugal and Tuscany, overtime, simple GI’s become protected through various laws on misrepresentation, but it was not until well in to the 20th century that protection was offered beyond simple GI’s.

France was the first to enact a comprehensive system for the protection of geographical indications that has later influenced the making of both national laws and international treaties.

For the purpose of the prevention of application of already popular GI to the spurious goods manufactured or produced outside the region traders sought legal protection to the GI’s. There on the basis of common law action for passing off certain GIs for instance champagne, sherry and south whisky received legal protection by the courts.

GI’s protected in accordance with national laws and under a wide range of concepts, such as laws against unfair competition consumers protection laws, laws for the protection of certification marks or special laws for the protection of geographical indication or appellations of origin.

Courtiers differ considerably in the way their laws handle GI’s some have specific GI laws other use trade mark law, consumer protection law, marketing law or common law or combination of these.